

A bill for an act

relating to taxation; sales and use; providing a construction exemption for an aerospace defense manufacturing facility; amending Minnesota Statutes 2008, section 297A.71, by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 297A.71, is amended by adding a subdivision to read:

Subd. 42. **Aerospace defense manufacturing facility.** (a) Materials used or consumed in and equipment incorporated into the construction, renovation, upgrading, or expansion of a facility used for manufacturing aerospace or defense products and the provisions of related services are exempt if the total capital investment for the project is at least \$80,000,000.

(b) For purposes of this subdivision, "facility" includes associated office and parking facilities necessary to provide direct support to the manufacturing facility and the provisions of related aerospace or defense services.

(c) In addition, all technical equipment, including data processing, and data storage equipment, hardware, and software necessary to the operation of the qualifying manufacturing facility and the provisions of related aerospace and defense services are exempt.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2010, and before January 1, 2018.